

8/08 PRESIDENT GEORGE BUSH SIGNS HOUSING RELIEF BILL WHICH IMPACTS APPRAISERS. On July 30, 2008, President George Bush signed the Federal Housing Finance Regulatory Reform Act. The portion of the act which will impact appraisers becomes effective October 1, 2008.

► Title IV of H.R. 3221—Hope for Homeowners Program

- Appraisals prepared for the Hope for Homeowners Program must comply with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (FIRREA) and must be performed by an appraiser who meets the competency requirements of the *Uniform Standards of Professional Appraisal Practice* (USPAP).
- FHA is authorized to contract for independent quality reviews, including appraisal reviews and fraud detection of mortgages insured under the Hope for Homeowners Program and pools of such mortgages.

► FHA Appraisal Reforms

- The Department of Housing and Urban Development Reform Act of 1989, Section 42, FHA Operations, (Section 202(e) of the National Housing Act) (12 U.S.C. 1708(e)) was amended to require that any appraiser chosen or approved to perform FHA appraisals shall be **certified** by the state in which the property to be appraised is located *or* by a nationally recognized professional appraisal organization* *and* demonstrate verifiable education in FHA appraisal requirements. Because Arizona is a mandatory state, FHA appraisals of Arizona real property must be performed by a state certified appraiser who demonstrates verifiable education in FHA appraisal requirements.

► Appraiser Independence

- Protects appraisers working under the Hope for Homeowners Program and the FHA Appraiser Roster from being improperly influenced by mortgage lenders, mortgage brokers, mortgage bankers, real estate brokers, appraisal management companies, employees of appraisal management companies, or any other person with an interest in a real estate transaction.

*This is not in conflict with Title XI of FIRREA, Sec. 1122. Miscellaneous Provisions (12 U.S.C. 3351) (d) *Prohibition against discrimination* which states that “Criteria established . . . for appraiser qualifications **in addition to State certification or licensing** shall not exclude a certified or licensed appraiser for consideration for an assignment solely by virtue of membership or lack of membership in any particular appraisal organization.”

For additional information on H.R. 3221 visit <http://www.govtrack.us/congress/bill.xpd?bill=h110-3221>